

**GOVERNMENT OF INDIA
PETROLEUM AND NATURAL GAS
LOK SABHA**

UNSTARRED QUESTION NO:4056
ANSWERED ON:14.12.2000
REDUCTION IN CESS
NAWAL KISHORE RAI;ZORA SINGH MANN

Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

- (a) whether the Government have a proposal to reduce rates of tax, cess, surcharge and royalty being charged on petroleum products;
- (b) if so, the details thereof ; and .
- (c) the rates of tax , cess, surcharge and royalty levied in the country by the end of September 2000, product-wise ?

Answer

MINISTER OF STATE IN THE MINISTRY OF PETROLEUM AND NATURAL GAS (SHRI SANTOSH KUMAR GANGWAR)

- (a) There is no proposal under consideration to reduce the customs duty or excise duty on petroleum products.
- (b) Does not arise in view of (a) above.
- (c) The current product wise rates of duties of customs and excise, cess, Royalty and sales taxes are as follows:
1. Customs duty on imported crude oil and royalty/cess, on indigenous crude oil produced by ONGC/OIL at annexure-I.
 2. Duties of customs and Counter-Veiling Duty (CVD) on imported products as per enclosed annexure-II.
 3. Duties of excise on petroleum products as per enclosed annexure-III.
 4. Sales Taxes on indigenous crude oil and products as per annexure-IV.

ANNEXURE-III

DUTIES OF EXCISE ON PETROLEUM PRODUCTS (Percentage)

NAME OF PRODUCT Duties w.e.f. 30.9.2000

Diesel (High Speed Diesel)/Light Diesel Oil	12
Petrol (Motor Spirit)	16
Aviation Turbine Fuel	16
Liquefied Petroleum Gas (LPG)/Kerosene (PDS)	8
Liquefied Natural Gas (LNG)	16
Furnace Oil/Low Sulphur Heavy Stock/Naphtha/Bitumen/All other petroleum products	16

An additional duty of Re.1 per liter further levied on diesel and petrol.

ANNEXURE-I

CUSTOMS DUTY ON IMPORTED CRUDE OIL, ROYALTY AND CESS ON INDIGENOUS CRUDE OIL PRODUCED BY ONGC/OIL

Customs duty on imported crude oil 10%
Cess Rs.900/MT
Royalty Rs.800/MT (Provisional)

ANNEXURE-II

DUTIES OF CUSTOMS AND CVD ON IMPORTED PETROLEUM PRODUCTS.

(In Percentage)

NAME OF PRODUCT DUTIES OF CUSTOMS CVD

High Speed Diesel	20	12
Petrol	20	16
Light Diesel Oil	20	16
Aviation Turbine Fuel	20	16
Furnace Oil	20	16
LSHS	20	16
Liquefied Petroleum Gas	10	8
Liquefied Natural Gas	5	16
PDS Kerosene	Nil	8
Naphtha	5	16
Bitumen and all other petroleum products	20	16